

## Message Text

CONFIDENTIAL

PAGE 01 CAIRO 10343 191915Z

42

ACTION TRSE-00

INFO OCT-01 NEA-06 ISO-00 SP-02 AID-05 EB-07 NSC-05 RSC-01

CIEP-01 SS-15 STR-01 OMB-01 CEA-01 CIAE-00 COME-00

FRB-01 INR-05 NSAE-00 XMB-02 OPIC-03 LAB-04 SIL-01

DODE-00 PM-03 H-01 L-02 PA-01 PRS-01 USIA-06 AGR-05

FEAE-00 IGA-01 INT-05 OES-03 /090 W

----- 116048

R 191330Z DEC 74

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 907

INFO AMEMBASSY JIDDA

AMEMBASSY KUWAIT

C O N F I D E N T I A L CAIRO 10343

DEPARTMENT PASS TREASURY FOR ASST SECRETARY PARSKY

E.O. 11652: NA

TAGS: EAID EGEN PFOR EG

SUBJECT: JWG ON ECONOMIC AND FINANCIAL COOPERATION: TAX MATTERS

REF: STATE 271187

1. EMBASSY FULLY SHARES DESIRE EXPRESSED REFTEL FOR PROGRESS ON FULL RANGE ACTIVITIES UNDER PURVIEW OF JWG AS EXPRESSED REFTEL. IN VIEW MOST EXTENSIVE NATURE AND VARIETY OF SUBJECTS COVERED, EMBASSY BELIEVES IT MAY BE USEFUL TO REPLY IN NUMBER OF SEPTELS ON SPECIFIC SUBJECTS IN ORDER FACILITATE CONTINUING EXCHANGE OF INFORMATION. WITH THIS IN MIND, FOLLOWING INFORMATION IS PROVIDED RE STATUS TAX MATTERS PARAS 9 AND 10 OF REFTEL.

2. TAX ASSISTANCE - GOE CONTINUES TO BE HIGHLY RECEPTIVE TO SUGGESTED PROVISION OF ASSISTANCE IN FIELD OF TAX ADMINISTRATION. SAYED HABIB UNDERSEC FOR TAXATION IN MINFIN, INFORMS US HE AWAITS RESULTS OF CONSIDERATION OF HILL'S REPORT BY USG AND WELCOMES

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CAIRO 10343 191915Z

POSSIBILITY OF ASSISTANCE.

3. TAX TREATY - NOT SURPRISINGLY, THERE APPEARS TO BE SOME DIFFERENCE OF OPINION AS TO STATUS NEGOTIATIONS OF DOUBLE TAXATION TREATY. HABIB REPORTS THAT HE HAS RECEIVED FROM PATRICK TEXT OF TREATY AS REVISED IN ACCORDANCE WITH EARLIER DISCUSSIONS. MEMBERS OF HIS STAFF ARE STUDYING TEXT IN ORDER TO BE ABLE PROVIDE FURTHER COMMENTS AS NECESSARY. HABIB SUGGESTED THAT THIS INFORMATION WOULD BE AVAILABLE TO HIM "SOME TIME AFTER FIRST OF YEAR" (FYI - WITH RESPECT POSSIBILITY INITIALING TREATY DURING A HIGH-LEVEL VISIT, DEPT SHOULD REMEMBER THAT APPROVAL OF TREATY BY COUNCIL OF MINISTERS WOULD PROBABELY BE REQUIRED IN ADVANCE).

4. ON SAME SUBJECT, FORD FOUNDATION HAS EVIDENTLY SUPPLIED HARVARD UNIVERSITY LAW PROFESSOR AS CONSULTANT TO GOE ON TAX AND INVESTMENT MATTERS. WE ARE INFORMALLY ADVISED THAT THIS EXPERT, DR. DAVID SMITH (PRESENTLY BACK IN US), HAD RAISED SOME QUESTIONS CONCERNING UTILITY AND APPLICABILITY PROPOSED TREATY TO EGYPTIAN SITUATION. EXACT NATURE THESE QUESTIONS HAS NOT BEEN CONVEYED TO US, BUT THEY APPEAR TO BE SOURCE OF NEW CONCERNS TO SOME PARTS OF EGYPTIAN BUREAUCRACY, WITH SPECIFIC RESPECTS TO TAX SITUATION REGARDING US INVESTMENTS.

EILTS

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC COOPERATION, COMMITTEE MEETINGS, DEVELOPMENT PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974CAIRO10343  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740369-1018  
**From:** CAIRO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19741223/aaaaatou.tel  
**Line Count:** 83  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION TRSE  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 74 STATE 271187  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14-Aug-2002 by martinml>; APPROVED <24 MAR 2003 by CunninFX>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JWG ON ECONOMIC AND FINANCIAL COOPERATION: TAX MATTERS  
**TAGS:** EAID, EGEN, PFOR, EG, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005